GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

STARRED QUESTION NO:53
ANSWERED ON:21.11.2001
UNIVERSAL SERVICES OBLIGATION FUND
NAWAL KISHORE RAI;RAMJI LAL SUMAN

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Government have created a Universal Services Obligation Fund;

(b) if so, the amount of funds likely to be collected alongwith the sources, source-wise;

(c) the amount of money estimated to be deposited in this Fund annually;

(d) the provisions made for spending the money from this Fund; and

(e) the amount of money deposited in this fund till September, 2001?

Answer

THE MINISTER OF PARLIAMENTARY AFFAIRS, INFORMATION TECHNOLOGY AND COMMUNICATIONS (SHRI PR MAHAJAN)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STA QUESTION NO. 53 FOR 21ST NOVEMBER, 2001 REGARDING UNIVERSAL SERVICES OBLIGATION FUND.

(a) The New Telecom Policy, 1999 regime, stipulates a Levy towards Universal Service Obligation.The Government had sought the recommendations of Telecom Regulatory Authority of India(TRAI) on matters relating to Universal Service Obligation.The TRAI has since given its recommendation. The TRAIhas recommended that 5% of the Adjusted Gross Revenue of all telecom carriers or operators, excluding pure value added service providers such as Internet Service Providers, Voice Mail Service Providers, etc., should be contributed as Universal Service Levy(USL) and credited to a UniversalService Fund. This levy should come out of the license fee itself and should not be an additional levy. It has also been recommended that the Universal Service Fund be created with effect from 1.4.2002. The recommendations of TRAI are being examined by Government.

(b) & (c): The estimated USL receipts based on the recommendation of TRAI in the financial year 2002-2003 source-wise are as follows:-

Sl. No.	Service	USL (Rupees in crores)
1	Basic	835.00
2	Cellular	340.00
3	Radio Paging	0.50
4	VSAT-CUG	10.00
5	PMRTS	0.75
6	GMPCS	0.10
7	NLDO	400.00
8	ILDO	220.00
	TOTAL	1806.35

(d) The TRAI has recommendedthat the fund would support public telecommunications & information services in rural areas along with provision of household telephones in net high cost areas limited only to rural/remote Short Distance Charging Areas(SDCAs).

(e) The Authority has recommended operation of USO support policy from 1.4.2002, hence no money has been deposited in the fund, which has not been created so far.